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February 13, 2004

By Federal Express

Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

04-00052

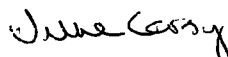
Re *Application To Provide Competing Local Telecommunications Services*

Dear Sir or Madam

I am enclosing on behalf of the Utilities Commission, New Smyrna Beach d/b/a Sparks Communications an original and thirteen (13) copies of its Application to Provide Competing Local Telecommunications Services in the State of Tennessee. Also enclosed is the filing fee of \$25.00. I am also enclosing for you under seal the financial documents comprising Exhibit C of the Application. Applicant's financial information is proprietary in nature and should be held in the strictest confidence possible. The financial statements are provided to you, under separate cover, are marked "PROPRIETARY AND CONFIDENTIAL – FILE UNDER PROTECTIVE SEAL," and Applicant requests that it not be made a part of the public record.

Please date stamp the "Stamp In" copy of this filing and return it to me in the enclosed prepaid, self-addressed Federal Express envelope. Thank you very much for filing these documents in the appropriate manner, and please contact me if you have any questions or require any further information.

Very truly yours,


Julie Kaminski Corsig

Enclosures
cc Genny Turano

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Docket No 04-00052

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Contact name and address at the Utilities Commission is

Ms Genevieve L Turano
Vice President of Communications
Utilities Commission, New Smyrna Beach
Post Office Box 100 – 200 Canal Street
New Smyrna Beach, Florida 32168
Phone (386) 427-1361
Fax (386) 423-7175

2 Information Regarding Structure and Authority

Applicant is a unit of local government chartered by the State of Florida. A copy of UCNSB's charter and local ordinance authorizing UCNSB to provide telecommunications services are attached hereto as Exhibit A. There are no employees of the Utilities Commission in Tennessee. Based on its experience in other states, UCNSB does not believe that the requirement for a foreign corporation to obtain a Certificate of Authority from the Tennessee Office of the Secretary of State applies to its operations, as it is not a corporate entity. Attached as Exhibit A is a letter to the Office of the Tennessee Secretary of State requesting a response as to whether UCNSB is required or able to obtain a Certificate of Authority. UCNSB will comply with any requirements deemed applicable by the Secretary of State's Office.

3 Managerial, Technical and Financial Ability

A Managerial Qualifications

As demonstrated by the profiles of UCNSB's key personnel, attached hereto as Exhibit B, the Utilities Commission has the technical and managerial capability to provide telecommunications services in the State of South Tennessee. Led by Ron Vaden, General

Manager and Chief Executive Officer, UCNSB has the technological experience and business know-how to effectively implement UCNSB's business plan. Mr. Vaden has been employed with the Utilities Commission since 1987 in high-level engineering and managerial roles. Since 2001, under the supervision of Genevieve Turano, Vice President of Communications, UCNSB has been offering telephone service to the residents of Volusia County, Florida. In August 2003, the Utilities Commission expanded its service offerings throughout the State of Florida. UCNSB provides telephone service to over 17,000 customers and provides Internet services to over 5,000 customers. The Utilities Commission is currently expanding its service territory into Southeastern United States, including South Carolina, North Carolina, Georgia, Mississippi and Alabama. UCNSB has a team of managers and support personnel qualified to operate a communications business, including a Marketing Specialist, a Call Center Supervisor, and Sales director. UCNSB's key personnel are all located at UCNSB's main office at 200 Canal Street, New Smyrna Beach, Florida 32168, Telephone (386) 427-1361.

B Technical Qualifications

UCNSB will satisfy the minimum standards established by the TRA. UCNSB will file and maintain tariffs in the manner prescribed by the TRA and will meet minimum basic local standards, including quality of service and billing standards required by all competitive local exchange carriers regulated by the TRA. Applicant will not require customers to purchase CPE, which cannot be used with the systems of the incumbent local exchange carrier. UCNSB's key personnel have adequate engineering backgrounds and UCNSB has been providing telecommunications services for several years. UCNSB is therefore technically qualified to provide local exchange service in Tennessee.

C Financial Qualifications

In support of Applicant's financial capability to provide the proposed service within the State of Tennessee, a copy of Applicant's Comprehensive Annual Financial Report for September 30, 2003 and 2002 is provided in Exhibit C. These financial statements clearly demonstrate that UCNSB has the requisite financial capability to provide the proposed services in the State of Tennessee. Because the financial statements contain information which is confidential and proprietary, the financial information is being filed under separate cover in a sealed envelope marked "CONFIDENTIAL AND PROPRIETARY." UCNSB respectfully requests that this information remain confidential and not open for public inspection.

The Utilities Commission does not use revenues from its regulated monopoly services (*e.g.*, electric and water services) to fund its provision of competitive telecommunications services and high-speed Internet services. Rather, the Utilities Commission's provision of competitive telecommunications services is independently funded by revenues from the Utilities Commission's provision of Internet services, at first, and now also competitive telecommunications services. That is, UCNSB's successful provision of telecommunications and Internet services is making possible the further expansion of its services in other states. Indeed, in Fiscal Year 2003, the Telecommunications System had nearly \$900,000 in excess revenues or "profits" for use to fund additional start-up costs in 2004 or to apply to debt reduction. The Telecommunications System projects that it will earn nearly \$10 million in revenues from telecommunications and Internet services during Fiscal Year 2004. Clearly, UCNSB has the requisite financial capability to offer telecommunications services in the State of Tennessee.

As UCNSB will be utilizing the facilities of the underlying incumbent local exchange

carrier, Applicant is not supplying a separate projection for capital expenditures UCNSB's financial statements do not reflect any revenues or expenses associated with reciprocal compensation

An irrevocable letter of credit in the amount of \$20,000.00 is provided as Exhibit D

4 Proposed Service Area

Applicant expects that its initial service offerings will be via resale or UNE-P UCNSB proposes to offer its services throughout the State of Tennessee in those areas where BellSouth or Sprint/United is the incumbent local exchange carrier ("ILEC") UCNSB will provide its services by leasing the unbundled network elements ("UNEs") from the ILECs, primarily via UNE-P Applicant will execute all necessary Interconnection Agreements with the ILECs prior to offering service in Tennessee and is in the process of entering into such agreements All interconnection agreements will be filed with the Commission for approval, pursuant to Section 252(e) of the Telecommunications Act of 1996

UCNSB is authorized to provide competitive local exchange services in Florida, North Carolina, South Carolina and Georgia and has an application for authority pending in the State of Mississippi Applicant has not been denied authority for any of the services for which it seeks authority in this Application

5 Types of Local Exchange Service to Be Provided

Applicant seeks to provide residential and business local exchange services in Tennessee, including optional features (e.g., call return, call forwarding, call waiting, 3-way calling, caller ID) through the lease of UNEs from the ILECs and/or by reselling the ILECs' local exchange services in those ILECs' existing service areas Initially, UCNSB plans to offer basic access line service, optional calling features, access to directory assistance and operator services, as well as

all services required under Chapter 1220-4-8- 04(3)(6) and (2) Service will be provided twenty-four hours a day, seven days a week

6 Repair and Maintenance

UCNSB has earned the public trust by conducting its business with integrity and at the highest level of professionalism. The Utilities Commission has established and will communicate to its customers several means of contacting the Utilities Commission in the event of a customer inquiry or dispute. For instance, UCNSB has established a toll-free telephone number for residential telephone service support (1-888-577-2759), business telephone support (1-888-677-2757) and residential and business telephone repair (1-866-577-2759). These customer service numbers will be available during business hours to respond to customer inquiries and complaints and UCNSB personnel will be available to discuss the issue with the customer. In addition, customers may contact the company in writing at the headquarters address, as well as via email at www.gosparky.us. The contact person knowledgeable about UCNSB's operations is Genevieve Turano, 200 Canal Street, New Smyrna Beach, Florida 32170, gturano@ucnsb.net, (p) (386) 427-1361, (f) (386) 423-7175.

Applicant will be relying on its facilities-based underlying carriers for the operation and maintenance of its networks. As a result, the quality of service that Applicant's customers will receive should be at least equal to that provided by the incumbent LECs and certificated interexchange carriers.

Grant of the Application will further the goals of the Tennessee Legislature and further the public interest by expanding the availability of competitive telecommunications services in the State of Tennessee. In addition, intrastate offering of these services is in the public interest because the services will provide Tennessee consumers increased efficiencies and cost savings.

Authoring UCNSB to provide local exchange telecommunications services will facilitate economic development in the State of Tennessee. In particular, the public will benefit both directly, through the use of the competitive services to be offered by UCNSB and indirectly, because UCNSB's presence in Tennessee will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices and improve the quality of their services. For these reasons, grant of this Application will further enhance the service options available to Tennessee citizens.

7 Small and Minority-Owned Telecommunications Business Participation Plan (65-5-212)

Please see Exhibit E

8 Toll Dialing Parity Plan

Please see Exhibit F

9 Service of Application

Applicant has served notice of this Application on the eighteen (18) incumbent local exchange telephone companies in Tennessee with a statement regarding UCNSB's intention of geographic operation. A copy of the Notice and associated certificate of service is provided as Exhibit G.

10 Numbering Issues

Please see Statement provided in Exhibit H

11 Tennessee-Specific Operational Issues

Please see Statements provided in Exhibit I

12 Miscellaneous

A Sworn Pre-Filed Testimony. See Exhibit J

B UCNSB does not require customer deposits

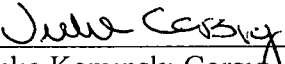
C To date, UCNSB has not been subject to complaints in any of the states in which it is doing business

D A copy of UCNSB's proposed Local Exchange Tariff is attached as Exhibit K

13 Conclusion

UCNSB respectfully requests that the TRA enter an order granting it a certificate of convenience and necessity to operate as a competing telecommunications service provider and authority to provide a full range of local exchange service on a facilities-based and resale basis throughout the State of Tennessee in the service areas of BellSouth and Sprint and any other ILEC that does not enjoy a rural exemption under Section 251(f) of the Telecommunications Act of 1996. For the reasons stated above, UCNSB's provision of these services will promote the public interest by providing high-quality service at competitive prices and by creating greater economic incentives for the development and improvement for all competing providers.

Respectfully submitted,



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